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## NOTES.

A PARTIAL report on Retail Prices and Wages has been submitted to the Senate and printed by the Committee on Finance, in accordance with the resolution of March 3, 1892, instructing the committee to ascertain "in every practicable way" the "effect of tariff laws upon imports and exports, the growth, development, production and prices of agricultural and manufactured articles at home and abroad, and upon wages, domestic and foreign." The present report deals with but one phase of this extensive inquiry, namely, changes in retail prices and wages during the period between June 1, 1889, and September 1, 1891. It is very necessary that this partial character of the report should be borne in mind if its scientific quality is to be fairly judged. No attempt, for example, is made to answer the question whether the tariff is a tax, *i.e.*, whether the tariff duty is added to the price paid by the consumer. What has been attempted, and, there is every reason to believe, accomplished in a way to afford great satisfaction to all who are interested in the progress of sound scientific methods in statistical research, is an answer to the question: Has the level of retail prices changed during the period under consideration, and if so, by what per cent.? As all economists know, there are various methods of dealing with a problem of this kind, from the simple arithmetical averaging of a list of price quotations, the arithmetical mean of which is called an index number, to complicated computations of index numbers which stand for the relative importance of different articles in the consumer's budget, as well as for changes in price. The scientific interest in the present inquiry centres in the refined method of obtaining index numbers adopted by Professor Roland P. Falkner, the statistician to whom the investigation was entrusted. By means of the elaborate

consumers' budgets furnished by the Department of Labor in its report on Cost of Production the relative importance to the consumer of 214 selected articles was ascertained. These percentages of relative importance have been combined with the price quotations in the index numbers used, so that when the report states that, the level of prices on June 1, 1889, being designated by the index number 100, it had fallen by September 1, 1891, to 99.56, the reader is to understand that it is not the mere arithmetical average of prices that has thus fallen, but the level of prices according to their importance to the consumer, as shown by the most elaborate budgetary figures ever used in an investigation of this kind. This explanation is enough to show the scientific quality of this work. A further report on wholesale prices covering the period since 1860 will be awaited with great interest.

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AT JOHNS HOPKINS UNIVERSITY, the graduate work in economics will consist during the coming year of a series of lecture courses, to be given as follows: Professor J. B. Clark, of Smith and Amherst, a course on economic theory; President Gilman, a brief course on social science; Dr. E. R. Gould, a course on social movements in Europe; Professor H. C. Adams, of Michigan, a course on finance and public debts; Professor A. G. Warner, Superintendent of Charities, Washington, D. C., a course on charities and their administration; Professor Woodrow Wilson, of Princeton, a course on administration; Dr. Sidney Sherwood, a course on money and banking; Dr. Albert Shaw, a course on American municipal government.